

Exhibit No. 4
Date 3/27/09
Bill No. HB109Amendments to House Bill No. 109
3rd Reading Copy

Requested by Senator Joe Balyeat

For the Senate State Administration Committee

Prepared by Dave Bohyer
March 27, 2009 (2:25pm)

1. Title, line 8.

Following: "19-3-513,"**Insert:** "19-3-901, 19-3-902,"**Following:** "19-3-1106,"**Insert:** "19-3-1205,"

2. Title, line 10.

Strike: "AND"

3. Title, line 11.

Following: "19-17-504,"**Insert:** "19-20-801, AND 19-20-802,"

4. Page 17.

Following: line 8**Insert:** "Section 13. Section 19-3-901, MCA, is amended to read:

"19-3-901. **Eligibility for service retirement.** (1) (a) A member who has attained the age of 60 and has 5 years of membership service is eligible for service retirement. A member who has attained age 65 while employed in a position covered by a public employees' retirement system is eligible for service retirement regardless of the member's years of membership service.

(b) A member who was a member before [the effective date of this act] and who has 30 years or more of membership service is eligible for service retirement regardless of the member's age.

(2) In each of the circumstances described in subsection (1), the member has attained normal retirement age."

{ Internal References to 19-3-901:

19-3-908 19-3-908 ok/ddb} "

Insert: "Section 14. Section 19-3-902, MCA, is amended to read:

"19-3-902. **Eligibility for early retirement.** (1) A member who was a member before [the effective date of this act] and who is not eligible for service retirement is eligible for early retirement if the member:

(a) is not eligible for service retirement but has attained age 50 and has 5 years of membership service is eligible for early retirement. A member who; or

(b) has completed 25 years or more of membership service is eligible for early retirement.

(2) A member who became a member on or after [the effective date of this act] and who is not eligible for service retirement but has attained age 50 and has 5 years of membership service is eligible for early retirement."

{ Internal References to 19-3-902:

19-3-908 19-3-908 ok/ddb}"

Renumber: subsequent sections

5. Page 17, line 11.

Following: "(1)"

Insert: "(a)"

Strike: "The"

Insert: "For a member who was a member before [the effective date of this act], the"

6. Page 17, line 15.

Strike: "(2)"

Insert: "(b)"

7. Page 17, line 17.

Strike: "(a)"

Insert: "(i)"

8. Page 17, line 20.

Strike: "(b)"

Insert: "(ii)"

9. Page 17.

Following: line 23

Insert: "(2) The early retirement benefit of a member who became a member on or after [the effective date of this act] must be determined as prescribed in 19-3-904, with the exception that the benefit must be reduced as follows:

(a) by $1/2$ of 1% multiplied by the number of months up to a maximum of 60 months by which the retirement date precedes the date on which the member would have retired had the member attained 60 years of age; and

(b) by $3/10$ of 1% multiplied by the number of months in excess of the 60 months in subsection (2)(a) by which the retirement date precedes the date on which the member would have retired had the member attained 60 years of age."

10. Page 19.

Following: line 26

Insert: "Section 18. Section 19-3-1205, MCA, is amended to read:

"19-3-1205. Amount of survivorship benefit. (1) The For a member who was a member before [the effective date of this act], the survivorship benefit payable to a member's designated beneficiary is the actuarial equivalent of:

~~(1)~~(a) the accrued portion of the early retirement benefit

follows:

(a) by $1/2$ of 1% multiplied by the number of months up to a maximum of 60 months by which the retirement date precedes the date on which the member would have retired had the member attained 60 years of age or had the member completed 25 years of creditable service; and

(b) by $3/10$ of 1% multiplied by the number of months in excess of the 60 months in subsection (2)(a) but not to exceed 60 additional months that the retirement date precedes the date on which the member would have retired had the member attained 60 years of age or had the member completed 25 years of creditable service.

(3) The early retirement allowance of a member who became a member on or after [the effective date of this act] must be determined as prescribed in 19-20-804, with the exception that the allowance will be reduced as follows:

(a) by $1/2$ of 1% multiplied by the number of months up to a maximum of 60 months by which the retirement date precedes the date on which the member would have retired had the member attained 60 years of age; and

(b) by $3/10$ of 1% multiplied by the number of months in excess of the 60 months in subsection (3)(a) that the retirement date precedes the date on which the member would have retired had the member attained 60 years of age."

{Internal References to 19-20-802:

19-20-715

19-20-731

19-20-731

19-20-805 ok/ddb}"

Renumber: subsequent section

- END -

pursuant to 19-3-906 that would have been payable to the member commencing at age 50 if the member had not attained age 50 or earned 25 years of membership service at the time of death;

~~(2)(b)~~ if the deceased member had attained age 50 or earned 25 years of membership service at the time of death, the early retirement benefit that would have been payable to the member if the member had retired immediately prior to death; or

~~(3)(c)~~ if the deceased member:

(i) was a member before [the effective date of this act] and had attained age 60 or earned 30 years of membership service at the time of death, the service retirement benefit that would have been payable to the member if the member had retired immediately prior to death; or

(ii) became a member on or after [the effective date of this act] and had attained age 60 at the time of death, the service retirement benefit that would have been payable to the member if the member had retired immediately prior to death."

{ Internal References to 19-3-1205:

19-3-1204 ok/ddb }

Renumber: subsequent sections

11. Page 33.

Following: line 6

Insert: "Section 40. Section 19-20-801, MCA, is amended to read:

"19-20-801. Eligibility for service retirement. (1) A member who was a member before [the effective date of this act] and who has at least 5 full years of creditable service and who has attained the age of 60 or has been credited with full-time or part-time creditable service in 25 or more years may retire from service if the member has terminated employment in all positions from which the member is eligible to retire and files with the retirement board a written application.

(2) A member who became a member on or after [the effective date of this act], who has at least 5 full years of creditable service, and who has attained the age of 60 may retire from service if the member has terminated employment in all positions from which the member is eligible to retire and files with the retirement board a written application."

{ Internal References to 19-20-801: None. ok/ddb }

Insert: "Section 41. Section 19-20-802, MCA, is amended to read:

"19-20-802. Early retirement. (1) A member who is not eligible for service retirement pursuant to 19-20-801 but who has at least 5 years of creditable service and who has attained the age of 50 may retire from service and be eligible for an early retirement allowance if the member files with the retirement board the member's written application.

(2) The early retirement allowance of a member who was a member before [the effective date of this act] must be determined as prescribed in 19-20-804 and section 5, Chapter 549, Laws of 1981, with the exception that the allowance will be reduced as